GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:6201
ANSWERED ON:06.05.2005
BANK BRANCHES
Yadav Shri Ram Kripal

Will the Minister of FINANCE be pleased to state:

(a) whether there are large areas in the country which do not have any banking facility;

(b) whether there are a large number of blocks, particularly,in North-Eastern States and Bihar,where no branches of any commercial banks exist;

(c) the steps proposed to open branches of commercial as well as other banks in these blocks; and

(d) the time by which each block in the country will have at least one branch of a commercial bank?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a)&(b): The number of branches of Commercial Banks operating in various States/UTs. of the country,including states in the North-Eastern Region and Bihar as on 30.9.2004,as reported by Reserve Bank of India(RBI),are at Annexure.

(c)&(d): As per the present branch licensing policy of the RBI, it is left to the discretion of the banks to assess the need for opening bank branches in any area of the country after taking into consideration certain factors such as business potential,viability, infrastructure, security etc. The RBI encourages the Banks opening more branches in rural areas and gives priority to such requests.